FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case reference	:	**LON/00AG/LSC/2026/0049**
Property	:	**Flats 1 - 3, 9 Guildford Street, London, WC1N 1DT**
Applicants	:	**(1) Mr I Ismail, (2) Mr O Ismail, (3) Mrs D Kartal**
Representative	:	**Lyceum Limited, Managing Agent Osman Ismail**
Respondent	:	**Sara and Stefania Tron (Flat 1) Yoojin Choi (Flat 2) Fujiko Kobayashi (Flat 3)**
Representative	:	**Graham Dyer**
Type of application	:	**For the determination of the liability to pay service charges under section 27A of the Landlord and Tenant Act 1985**
Tribunal members	:	**Judge Vodanovic Ms C Barton MRICS**
Venue	:	**10 Alfred Place, London WC1E 7LR**
Date of decision	:	**Hearing held on 27.7.2026**

DECISION

Decisions of the Tribunal

(1) The parties agreed the substance of the application such that there was no issue for the Tribunal to determine.

(2) Two remaining issues in relation to costs were determined by the Tribunal.

(3) The Tribunal makes an order under section 20C of the Landlord and Tenant Act 1985 in the Respondents' favour, and makes no order in the Applicant's favour in respect of the tribunal fees.

The application

1. The Applicant sought a determination pursuant to s.27A of the Landlord and Tenant Act 1985 ("the 1985 Act") as to the amount of service charges relating to the Reserve Fund demands for service charge years 2020 to 2025.

The hearing

2. The Applicant is the freehold owner of the Property and was represented by Mr Ismail at the hearing. Three of the Respondents attended, namely Sara Tron, Yoojin Choi and Fujiko Kobayashi, each of them leaseholders of their respective properties. They were represented by Mr Graham Dyer (who is Ms Kobayashi's partner). All of those Respondents present gave their consent for Mr Dyer to speak on their behalf.

3. The Tribunal had the benefit of three separate Bundles which were as follows: the Applicant's Bundle consisting of 206 pages, the Respondent's Bundle consisting of 90 pages, and a Supplemental Bundle consisting of 12 pages. In addition, and separate to the above bundles, a bank statement was produced by the Applicant relating to a Barclays Premier Client account for the period of 28.6.2021 to 28.1.2022, which the Respondents had received, and email correspondence dated 9.7.2026.

4. Neither party requested an inspection of the Property and the Tribunal did not consider that one was necessary, nor would it have been proportionate to the issues in dispute.

The background

5. The only issue in dispute, and which was the subject of the application, concerned unpaid Reserve Fund contributions which had been the

subject of Service Charge demands for the years ending 2021 through to 2025. The Respondents were withholding payment of the amounts because the Applicant had not provided details of the bank account in which they were to be held, subject to the statutory trust requirements as set out in section 42A of the Landlord and Tenant Act 1987. This had been a long-running dispute since 2018 onwards.

6. Prior to the hearing, in June and July 2026, the parties had corresponded further and appeared to agree that the Applicant had now provided the relevant information relating to the account which satisfied, to the Respondents' minds, the statutory trust requirements. The relevant documents were provided on 23rd June 2026 by the Applicant. The Respondents indicated their willingness to pay contributions to the Reserve Fund going forward.

7. It was not entirely clear if they had agreed to pay the historic contributions that had been demanded by way of service charge demands, or what exactly was being disputed by them.

8. At the commencement of the hearing, Mr Dyer was asked to clarify what was still in issue. The parties were reminded that the Tribunal's jurisdiction was limited to determining the payability of service charges already demanded, whether they were reasonably incurred and whether they were reasonable in amount. Any issues regarding whether any incurred costs for works carried out should be offset against the Reserve Fund contributions which might be due, or whether those contributions could now be paid in instalments, were not within the Tribunal's jurisdiction.

9. With that in mind, Mr Dyer confirmed that the payability of the Reserve Fund contribution was no longer in issue, both in relation to future payments and historically. He clarified that the Respondents were not going to withhold the sums which had been demanded previously by way of Service Charges and which were still unpaid. This was as a result of the Applicant finally providing to them what they had been asking for in terms of the bank account.

10. Mr Dyer did indicate however that the reasonableness of the amounts demanded by way of Reserve Fund contributions was still in dispute, primarily because of a lack of planned maintenance programme and therefore a basis for the estimates of those contributions.

11. The Tribunal invited the parties to take some time outside the hearing room and consider if they could reach agreement between themselves, given the narrow issue which was before the Tribunal.

12. After taking some time to discuss matters, the parties informed the Tribunal that they had reached an agreement and the Respondents were no longer raising an issue with the reasonableness of the amounts demanded either.

13. In light of those concessions, there was no longer anything for the Tribunal to determine given that the parties had in fact agreed that the outstanding Service Charge demands for YE 2021 to YE 2025 were payable and were reasonable in amount.

The Agreement

14. The parties therefore agreed that:

    (i) the service charge demands relating to the Reserve Fund contributions for YE 2021 to YE 2025 were duly payable under the terms of the Lease;

    (ii) the Respondents were not raising any other issues with the validity of the relevant service charge demands;

    (iii) the Respondents were now satisfied that the statutory trust requirements had been complied with by the Applicant and as a result they no longer had any basis for withholding those amounts;

    (iv) the Respondents agreed the amounts charged in respect of the Reserve Fund contributions were reasonable in amount.

Application under s.20C of the 1985 Act and refund of fees

15. In his application, the Applicant sought the refund of his tribunal fees, and he reiterated that application today before the Tribunal. He argued that he had to issue these proceedings, having notified the Respondents of the fact that he was going to do so and he says that they failed to respond with a direct request for the bank account details as to where the moneys from the Reserve Fund contributions were held.

16. This is relevant because the Respondents' case has primarily been based on the failure to comply with the statutory trust requirements and the withholding of the sums for that reason. They had made a request for inspection of the documents evidencing that section 42A(1) of the Landlord and Tenant Act 1987 had been complied with but this had not been provided until very recently. Had the Applicant provided the details sooner, there would have been no need for the Tribunal proceedings because the Respondents would have made the contributions to the Reserve Fund, as demanded. Once they were

provided with the information which identified the bank account in June 2026, they duly made the concessions which they did. They then made further concessions today at the hearing.

17. This all does appear to stem from the Applicant's failure to provide the relevant information requested: the name of the bank, the bank account details and confirmation that the sums were held in trust. What the Applicant eventually provided did include reference to a Client Account and bank account details, as well as a bank statement showing details of deposits made into the account. Further information was then provided to show that the account had been in existence since 2021.

18. The Tribunal does not accept the Applicant's argument that had the Respondents asked for the account number after he sent them the pre-action warning letter, he would have provided it and not issued proceedings.

19. From the correspondence contained in the Respondent's Bundle, it was clear that the Respondents had been raising this issue since 2018, having set out the legislation which they say applied, and then repeated these requests at various points each year thereafter. The response to the pre-action warning letter included reference again to the same issue which had been raised by them on numerous previous occasions. It is correct to say that the email in response did not expressly ask for the account number but it clearly referred back to the issues which had been raised on numerous previous occasions. The Tribunal concluded that there was little room for doubt as to what the Respondents had been asking for since 2018. They indicated to the Applicant back in 2018 that what was provided by way of confirmation from Barclays Bank about the nature of the account was not sufficient because there was detail missing, including bank account numbers.

20. Therefore, the Tribunal concludes that the Applicant need not have brought these proceedings and had he responded to the Respondents' reasonable request made well before he brought these proceedings, there would have been no need for them.

21. In those circumstances, the Tribunal makes no order in the Applicant's favour in relation to the tribunal fees.

22. The Applicant further indicated that he was going to pass on to the Respondents through service charges the costs incurred in conducting these proceedings.

23. The Respondents were reminded that it was open to them to make an application for a section 20C Landlord and Tenant Act 1987 order

which, if granted, would not allow the Applicant to pass on those costs through service charges.

24. For the same reasons as set out above in relation to the tribunal fees, the Tribunal concludes that the need for these proceedings arose primarily due to the Applicant's failure to provide the information which had been requested and therefore the Tribunal does make a section 20C LTA 1985 Order in the Respondents' favour.

Name: Judge Vodanovic **Date:** 30.7.2026

Rights of appeal

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the tribunal is required to notify the parties about any right of appeal they may have.

If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber), then a written application for permission must be made to the First-tier Tribunal at the regional office which has been dealing with the case.

The application for permission to appeal must arrive at the regional office within 28 days after the tribunal sends written reasons for the decision to the person making the application.

If the application is not made within the 28-day time limit, such application must include a request for an extension of time and the reason for not complying with the 28-day time limit; the tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed, despite not being within the time limit.

The application for permission to appeal must identify the decision of the tribunal to which it relates (i.e. give the date, the property and the case number), state the grounds of appeal and state the result the party making the application is seeking.

If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).